

F. Financing Strategy: General Considerations

Three basic methods are available for sharing the total financing of Miramar Ranch North capital facilities:

- Developer construction and or payment through the normal subdivision process.¹
- Utilization of assessment district procedures, such as a 1913/1915 Act District or a special tax such as a Community Facilities District (Mello Roos).
- Provide a cost sharing mechanism among the various owners in the Community Plan.

This financing plan has assigned each project (on a preliminary basis) to one of these methods.

While the greater portion of Miramar Ranch North is presently under one ownership (BCED), there are other property owners who will benefit from the required public projects. One or more of the following financing methods will be needed:

1. Developer Payment/ Subdivision

General Plan and City Council Policy provide that the responsibility for providing needed public facilities in Planned Urbanizing Areas, such as the Miramar Ranch North Community Planning Area, rests with the developers. Further, the adopted community plan sets forth precise thresholds for various public facilities. The developer of any project exceeding any threshold set forth in the community plan text is responsible for providing the required public facilities before a threshold may be exceeded. Three methods for providing these public facilities are:

- a. Direct construction by a single developer (or land owner) under conventional subdivision map act procedures.

1 Where the term "developer" is used in the MRN CIP sheets, it shall mean BCED or its successors in interest, subject to reimbursement agreements if suitable and approved by City Council.

- b. Direct payment by two or more developers (or land owners) through a predetermined cost-sharing arrangement.
- c. Direct payment by one or more developers (or land owners) with subsequent cost reimbursement by others who benefit from this improvement, through established cost reimbursement procedures.

Specific methodology to be employed utilizing developer/subdivision financing is a matter for later determination. The Miramar Ranch North Financing Plan does not require that this level of detail be specified.

Any developer or developers may petition the City Council to initiate public financing procedures which, if finalized, may be used to finance the various facilities required.

In the event such public financing is not approved, then the developer must still provide the necessary facilities if the project proposed by the developer will exceed any threshold set forth in the community plan.

2. Assessment Or Special District Procedures

Specific assessment or other special district procedures which may be utilized upon necessary Council approval include the following:

- a. 1913/1915 Assessment Districts. Special assessment financing, using 1913/1915 Assessment Acts may be used as a supplementary or alternative method of financing some facilities such as streets, sidewalks, sewers, water lines, storm drains and lighting facilities.
- b. Other Districts. State legislation, such as the Mello-Roos Act of 1982, has been enacted for providing methods of financing public facilities in new and developing areas. The formation of Community Facility Districts may be initiated by owner/developer petition.

As discussed subsequently, this financing plan calls for possible utilization of Community Facilities District procedures and/or 1913/1915 procedures. This financing plan is subject to amendment, should other assessment procedures be more applicable at a later date.

Note: Developer provided parks will take the place of the "Park Fees" otherwise collected pursuant to Sections 102.0406.06 and 96.0403 of the San Diego Municipal Code.

G. Financial Strategy-- Individual Project Alternatives

The 27 projects listed in Table 4 2 and Appendix A will be handled by the developer through one or more of the following means:

- Direct developer construction or payment through normal subdivision procedures.
- Utilization of a Mello-Roos Community Facilities District.
- Utilization of 1913/1915 assessment procedures.

Any Mello-Roos or other assessment procedures utilized will be established on a fair and equitable basis. Any projects that are not covered by Mello-Roos or other assessment district procedures as will be finally determined will be borne directly by the developer.

H. Coordination With Curry Development Agreements

Robert T. and Raedene Curry have two development agreements with the City of San Diego that relate directly to the Miramar Ranch North Financing Plan. These agreements are as follows:

1. An agreement executed November 8, 1983, covering 47.3 acres of land in Miramar Ranch North, allowing development of 408 condominiums, consistent with the Miramar Ranch North Community Plan.
2. An agreement executed July 16, 1984, covering 123 acres of industrial development in both Miramar Ranch North and Sable Springs. Maximum building space allowable is approximately 1.3 million square feet of multi-tenant office facilities or 2.3 million square feet of industrial or single-tenant office facilities. While this development lies within two Community Plan areas, its access will be only from Miramar Ranch North.

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Table 4

Capital Facility Project Costs

Project#/Description	Developer/ Com. Facil. Dist/ Assessment District	Prior Devel- opment Agreement (Curry)	Total
--- Thousands of Dollars ---			
9-11 Underpass Widening	\$2,400	--	2,400
9-12 Interchange Modification	1,564	856	2,420
9-13 Traffic Signal & Park and Ride	781	154	935
9-21 Scripps Ranch Blvd-West	\$ 6,100	--	6,100
9-22 Scripps Ranch Blvd-Central	1,400	--	1,400
9-23 Scripps Ranch Blvd-East	3,100	--	3,100
9-24 Scripps North Pkwy-West	4,600	--	4,600
9-25 Scripps North Pkwy-Central	5,600	--	5,600
9-26 Contribution For Off Site Roads	2,100	--	2,100
9-27 Spring Canyon Road	7,500	--	7,500
9-28 Cypress Canyon Road	2,600	--	2,600
9-29 Reservoir Road	2,700	--	2,700
9-31 Miramar Pump Sta. Expansion	140	--	140
9-32 Water Reservoir & Booster Pump	4,000	--	4,000
9-33 Interceptor Ditch/Sewer-West	420	--	420
9-34 Interceptor Ditch/Sewer-Central	520	--	520
9-35 Interceptor Ditch/Sewer-East	700	--	700
9-36 Off-Site Sewer-South	1,900	--	1,900
9-37 Off-site Sewer North	270	--	270
9-41 Cypress Canyon Neighborhood Prk	3,325	675	4,000
9-42 Lakeshore Park	1,300	--	1,300
9-43 Community Park	5,000	--	5,000
9-44 Traffic Signals-Spring Cnyn Rd.	540	--	540
9-45 Rec. Building	630	--	630
9-46 Fire Station #37	390	186	576
9-47 Scripps Ranch Library Contribution	2,234	116	2,350
9-48 Mass Transit Study Funding	50	--	--50
Total	\$61,864	1,987	63,851
% of Total	96.9	3.1	100.0

Notes: Reimbursement contracts will be used where appropriate for equitable cost sharing.
Table does not include contributions from outside Miramar Ranch North.

Since these agreements were executed prior to approval of the Community Plan Amendment for Miramar Ranch North, there may be some inconsistencies between the documents which will be resolved appropriately. However these agreements do call for this developer to provide significant public facilities, including landscaping, open space, streets and utilities. They also specify that the developer must participate in the financing of other public facilities, including the following: among others, fire station, library, community park, park and ride facility, neighborhood parks, Mercy Road interchange, and traffic signals.

Improvement Cost Participation per Curry Development Agreements		
	1. Residential	2. Industrial
Mercy Interchange Improvements	X	X
Mercy Interchange Traffic Signals	X	X
Fire Station	X	X
Park-and-Ride	X	X
Library	X	
Community Park	X	
Neighborhood Parks	X	
Other Improvements per Developer Agreements and Conditions of Approval	X	X

This financing assistance will be through payment of a development fee at time of building permit issuance, as follows:

1. Residential. \$2,368.80 per residential unit, starting fiscal year 1983-84. The 1988-89 figure has been set at \$3,023.26 per unit. Annual escalation is at a 5% rate.
2. Industrial. Established at \$9,062 per net industrial acre in fiscal year 1983-84, with a 1988-89 figure of \$13,944, reflecting a 9% annual escalation factor.

The development agreements specify that these fees will be the only fees charged to Curry by the City to provide those public facilities.

The development agreements do not specify a detailed allocation of these fees for various public facility components. This is because of the computational nature of their determination, involving variations in cost and

time schedule. However, the fees were based on the following items and cost estimates, expressed in 1982-83 dollars:

Item	Amount (in 1983 \$)
Mercy Interchange	\$ 3,019,080
Park-and-Ride	580,000
Traffic Signals (2)	200,000
Fire Station #37	698,252
Library	1,182,467
Parks	6,865,020
Total	\$12,544,819

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Table 5

Curry Participation Per Development Agreements

Total Curry Contribution (1989 Dollars):

Industrial Contribution (1989 Dollars): \$13,944/ac. X 54 ac.= \$ 753,000

Residential Contribution (1989 Dollars): \$3,023.26 X 408 DU= 1,234,000

Total \$ 1,987,000

CIP No.	Project Description	Allocation Of --- Industrial ---		Allocation Of --- Residential ---		Total
		% of 753,000 Contribution	Amount 000's	% of 1,234,000 Contribution	Amount 000's	
9-12	Interchange & Signals	71.6	539	25.7	317	856
9-13	Park & Ride	12.9	97	4.6	57	154
9-41	Parks	0.0	0	54.7	675	675
9-46	Fire Station	15.5	117	5.6	69	186
9-47	Library	0.0	0	9.4	116	116
Total		100.0%	\$ 753	100.0%	\$ 1,234	\$ 1,987

1 - These amounts have been inserted into the applicable CIP sheets.